#### CITY OF REDMOND ORDINANCE NO. 2563

AN ORDINANCE OF THE CITY OF REDMOND, WASHINGTON, ADOPTING THE FINAL 2011 - 2012 BUDGET OF THE CITY COMMENCING JANUARY 1, 2011

WHEREAS, on or before the first business day in the third month prior to the beginning of the fiscal year of 2011, the estimate of revenues and expenditures was submitted to the Mayor for the next fiscal year as required by law; and

WHEREAS, the Mayor reviewed the estimates and made such revisions and/or additions as deemed advisable and prior to 60 days before January 1, 2011, filed the said revised preliminary budget with the City Clerk, as his recommendation for the final budget; and

WHEREAS, the Finance Department provided sufficient copies of such preliminary budget and budget message to meet the reasonable demands of taxpayers and published notice of filing and the availability of said preliminary budget together with the dates of the public hearings for the purpose of fixing a final budget, all as required by law; and

WHEREAS, the City Council scheduled hearings on the preliminary budget for the purpose of providing information regarding estimates and programs; and

WHEREAS, the City Council held public hearings on June 15, October 19, and November 16, 2010, for the purpose of fixing a final budget at which all taxpayers were heard who appeared for or against any part of said budget; and

WHEREAS, following the conclusion of said hearings, the City Council made such revisions and changes as it deemed necessary and proper.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. The final 2011-2012 budget, three copies of which have been and now are on file with the office of the City Clerk, by this reference is hereby incorporated herein as if set forth in full and said final budget shall be and the same is hereby adopted in full.

Section 2. Attached hereto and identified as Exhibit 1, is the total of estimated revenues/appropriations for each fund and the aggregate totals for all such funds combined.

Section 3. A complete copy of the final 2011-2012 budget, as adopted, together with a certified copy of this adopting ordinance shall be transmitted by the City Clerk to the Division of Municipal Corporations of the office of the State Auditor and to the Association of Washington Cities.

Section 4. This ordinance shall take effect January 1, 2011.

ADOPTED by the Redmond City Council this  $30^{\rm th}$  day of November, 2010.

CITY OF REDMOND

MARCHIONE, MAYOR

ATTEST:

MICHELLE M. MCGEHEE, CMC, CITY CLERK

(SEAL)

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY

By:

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:

SIGNED BY THE MAYOR:

PUBLISHED:

EFFECTIVE DATE:

ORDINANCE NO. 2563

November 23, 2010

November 30, 2010

November 30, 2010

December 6, 2010

December 11, 2010

ADOPTED 5-2;

YES: Allen, Cole, Margeson, Stilin and Vache;

NO: Carson and Myers

#### EXHIBIT 1 SUMMARY OF CHANGES 2011-2012 BIENNIAL BUDGET

		Mayor's		2011-2012	
Fund	Fund Title	Preliminary Budge	Changes	Final Budget	Comments
001	GENERAL FUND	145,953,910		145,953,910	
	Eliminate Metropolitan Parks District		(200,000)	(200,000)	
	Restore .50 FTE Prosecutor		110,000	110,000	
	Increase Council Contingency		90,000	90,000	_
	Subtotal General Fund	145,953,910	0	145,953,910	_
	SPECIAL REVENUE FUNDS				
110	Recreation Activity	4,613,406		4,613,406	
111	Arts Activity	652,549		652,549	ı
112	Parks Maintenance & Operations	3,235,340		3,235,340	
113	Community Events	772,580		772,580	
117	Cable Access	1,828,978		1,828,978	
118	Operating Grants	3,925,576		3,925,576	
119	Human Services	1,368,699		1,368,699	
120	Fire Equipment Reserve	4,043,057		4,043,057	
121	Operating Reserves	7,586,283		7,586,283	
122	Advanced Life Support	12,133,394		12,133,394	
124	Aid Car Donation	412,907		412,907	
125	Real Estate Excise Tax	4,656,000		4,656,000	
126	Drug Enforcement	90,970		90,970	
127	' Capital Equipment Reserve	5,115,989		5,115,989	
128	Emergency Dispatch System	9,693	(9,693)	0	Fund eliminated year-end 2010
130	Business Tax	8,827,266	240,000	9,067,266	Increase in BTTI fees
131	Hotel/Motes	675,938		675,938	
135	Fire Levy	6,758,079		6,758,079	
136	Police Levy	7,348,043		7,348,043	
137	Parks Levy	940,264		940,264	
140	Solid Waste/Recycling	1,406,827		1,406,827	_
	Subtotal Special Revenue Funds	76,401,838	230,307	76,632,145	_

#### EXHIBIT 1 SUMMARY OF CHANGES 2011-2012 BIENNIAL BUDGET

DEBT SERVICE FUNDS				
230 Debt Service - Excess Levy	808,153		808,153	
233 Bear Creek Parkway	5,301,925		5,301,925	
Subtotal Debt Service Funds	6,110,078	0	6,110,078	-
CAPITAL PROJECT FUNDS				
314 Council Capital Projects	1,818,408		1,818,408	
315 Parks Capital Projects	17,890,468		17,890,468	
316 Transportation Capital Projects	27,241,659		27,241,659	
NE 116th & Roundabout at 172nd		400,000	400,000	Changes to Transportation Capital Projects
160th NE Extension		250,000	250,000	Changes to Transportation Capital Projects
SR 202/Redmond Way Project Savings		(450,000)	(450,000)	Changes to Transportation Capital Projects
Traffic Safety Improvement Program		(200,000)	(200,000)	Changes to Transportation Capital Projects
Total 316 Fund	27,241,659	0	27,241,659	-
317 Fire Capital Projects	8,249,686		8,249,686	
318 Police Capital Projects	873,355		873,355	
319 General Government Capital Projects	13,497,811		13,497,811	_
Subtotal Capital Project Funds	42,329,728	0	42,329,728	
	•			
ENTERPRISE FUNDS	,			
401 Water/Wastewater Operations & Maintenance	68,855,981		68,855,981	
402 Novelty Hill Operations & Maintenance	13,711,666		13,711,666	
403 Water Capital Projects	10,474,814		10,474,814	
404 Wastewater Capital Projects	4,448,677		4,448,677	
405 Stormwater Operations & Maintenance	28,016,473		28,016,473	
406 Stormwater Capital Projects	42,490,352		42,490,352	
407 Novelty Hill Water Capital Projects	5,008,045		5,008,045	
408 Novelty Hill Wastewater Capital Projects	4,997,487		4,997,487	' -
Subtotal Enterprise Funds	178,003,495	0	178,003,495	

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#### EXHIBIT 1 SUMMARY OF CHANGES 2011-2012 BIENNIAL BUDGET

#### INTERNAL SERVICE FUNDS

40,010,000	v	40,613,333
46,813,333	0	46,813,333
10,393,459		10,393,459
2,454,422		2,454,422
22,397,785		22,397,785
2,707,692		2,707,692
8,859,975		8,859,975
	2,707,692 22,397,785 2,454,422 10,393,459	2,707,692 22,397,785 2,454,422 10,393,459

Issue	Discussion	Status
Predictable Development Permitting (PLN2135) Pg. 40  Explain types of expenditures in the "ongoing-other" category.  What do the one-time costs consist of?  Councilmember Myers),  Councilmember Myers),  Staff Response: The offer includes the development review functions of four departments – Planning, Fire, Public Works (including Utilities) and Finance. The "ongoing-other" category includes a variety of expenditures including technology surcharge project costs, transfers to the City's pavement management program in the CIP and utility rent and maintenance transfers to the City Hall lease payments as well as on-call Stormwater professional services. (Note: In 2009-2010, utility costs were not included in this offer)  The one-time costs included in the offer are \$50,000 for a study to update the development review fees (Finance) and \$55,000 for the zoning code quarterly update/web activities and supplemental support for projects.		(Closed)
2. Mobility Options (PLN2133) Pg. 42 Breakdown of grant revenues in the offer (Councilmember Myers)	<ol> <li>Staff Response: The Mobility Options offer is primarily funded through grants with a small portion of the dollars coming from the General Fund as described below:         <ol> <li>A total of \$3,323,153 comes from a variety of sources including the Business Tax, developer mitigation fees for TDM, the Dept. of Commerce, Washington State Dept. of Transportation Commute Trip Reduction reimbursement and the Trip Reduction Performance Program.</li> </ol> </li> <li>The General Fund portion (\$241,051) supports the City's commute options program (inclusive of ORCA transit passes), department administration and City commuter incentives.</li> </ol>	(Closed)
RESPONSIBLE GOVERNMENT		
3. City Administration & Management (EXE2261) Pg. 163 Explain addendum in the titled "amount included with salary/benefit total."	Staff Response: Due to the way line-items are accounted for, there are some items that appear in the line-item addendum as "other" expenses when in fact the State categorizes them as Salary and Benefits. These items include car allowance, meal allowance, phone allowance and uniform/clothing. In this particular offer the footnoted dollar amount refers to car and phone allowance.	(Closed)
(Councilmember Myers)		

Issue		Discussion	Status
13346		Discussion	Status
<ul><li>4. City Council (EXE2163) Pg. 164</li><li>Revisit Council Contingency</li></ul>	Staff Response: In 2009-2010 the Council Contingency is budgeted at \$30,000 annually. In the 2011-2012 Preliminary Budget, the Council Contingency is at \$17,550 per year or \$35,100 for the biennium. The details are below:  Council Contingency		(Closed)  Keep original  contingency at  \$35,100/biennium
amount.			
	2009-2010 Budget	\$60,000	with additional \$90,000 from th
	2011-2012 Proposed	<u>35,100</u>	Metropolitan
	Total Reduction	\$24,900	Parks District reduction.
	Council Discussion: Council Contingency.	would like to revisit the amount in the Council	i caucion,
Use of Council Contingency in the past.	Staff Response: Per the Exec Contingency for the past three	cutive Office, expenditures from the Council	
(Councilmember Cole)	(Councilmember Cole)  2003/2004 Total Expenditures: \$19,887 Contegrity Program (Ken Anbender's report/presentation travel expenses) - \$3,886.5 Family Resource Center, Fulfilling Our Vision - \$10,000 Leadership Eastside - \$6,000		
	2005/2006 Total Expenditure Leadership Eastside - \$6000 Costs associated with Budget Bev Stein - \$40,000		
•	2007/2008 Total Expenditure Ballot Mailer - \$6437.23 Leadership Eastside - \$12,000 "Meet Your Council" sign for		

Issue	Discussion		Status
5. Outstanding Debt Obligations (FIN2161) Pg. 166	<u>Staff Response:</u> In the Outstanding Debt Obligation offer is a balance of \$234,740 for uncollectible property taxes. The following shows the reconciliation between the numbers in the offer and the debt schedule in the City's Debt Manual.		
Reconcile the offer to the totals shown in the City's Debt Manual	Total Principal and Interest per the City's Debt Manual: LTGO and UTGO Debt  Total Principal and Interest per the City's Debt Obligation Offer Bear Creek Parkway Debt (LTGO)	\$5,875,338 r: \$5,301,925	budget, incorporate Councilmember Cole's footnote on the pages where debt
(Councilmember Cole)	Fire/Refunding (UTGO) Subtotal Principal and Interest Balance for Uncollectible Property Taxes Total Debt Obligation Offer	\$5,875,338 \$5,875,338 234,740 \$6,110,078	appears.
•	Typically in the adopted budget document, the City presents the tota discussed with Council at the Public Administration and Finance Co 10/21/10. The City's total debt obligations equal \$129.3 million (thr portions associated with the 2011-1012 biennium can be found in set their funding sources.	mmittee meeting on u 2035). The	
	<ol> <li>LTGO and UTGO debt (above) is contained in the Outstand Offer on page 166.</li> </ol>	ing Debt Obligations	
	Water/Wastewater revenue bonds (\$2.2 million) can be foun     Utility Financial Obligations on page 146.	d in Offer PW-2205	
	3. The City Hall Lease (\$5.7 million) can be found in the Capit Program section of the budget. The City Hall Lease appears on page 425, Offer FIN2315 City Hall Lease Obligation on FIN 2165 on page 452.	on the CIP matrix	
	<ol> <li>The Public Works Trust Fund Loans (\$508,714) also appear (page 422) and in Offer PW2204 on page 437.</li> </ol>	on the CIP matrix	
	Council Discussion: Total debt should be visible in the budget docu	iment	

RESPONSIBLE GOVERNMENT		
Issue	Discussion	Status
6. Fire Vehicle Replacement Fund/Reserve (FIR2273) Pg. 200  Fire Equipment Replacement	<ul> <li>Staff Response: There are three components to the Fire Equipment Replacement Reserve Fund (details of the Fund structure can be found on page 480 of the Preliminary Budget).</li> <li>1. The annual contributions to the Fire Equipment Replacement Reserve total \$444,242 and come from the General Fund (\$163,037) and the Fire CIP (\$281,205).</li> <li>2. The equipment that will be replaced out of the fund during the 2011-2012 biennium</li> </ul>	(Closed)  Moved to Future Issues Parking Lot
Fund reserves  Should the yearly contributions for the Fire Equipment Reserve be paid for by the Fire CIP?	is one ladder truck (\$1.2 million) and two staff cars (\$92,000).  3. The amount of the reserve the City maintains to replace fire equipment in the future equals \$2,751,057 (page 480 of the Preliminary Budget).	
(Councilmember Cole)	Council Discussion: Should fire equipment replacement be funded out of the General Fund or the Capital Investment Program. (Currently contributions to the Fire Equipment Replacement Fund come from the General Fund (\$163,037 annually) and the Fire CIP (\$281,205 annually).	
CLEAN & GREEN	<u>.</u>	
7. Green Infrastructure Management (PRK2167) Pg. 65 Revisit Flower Pot Program scalability	Council Discussion: Revisit reductions to Flower Pot Program. Consider sponsorship opportunities for the Flower Pot Program and/or pursue partnerships with other organizations to obtain plant material (example: high school greenhouse).	(Closed)  Moved to Future Issues Parking Lot
(Councilmembers Allen & Stilin)		

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CLEAN & GREEN		<u> </u>
Issue	Discussion	Status
8. Responsible Planning & Administration of Parks CIP (PRK2096) Pg. 67	City Council Discussion: Continue to discuss the Metropolitan Park District Concept.	(Closed) Reduced the Metropolitan Parks District Program and
Revisit Metropolitan Parks District (MPD)		moved money to reinstate the .50 Prosecutor reduction and
(Councilmember Cole)		into Council Contingency
COMMUNITY BUILDING		I
9. Recreation Creates Healthy and Vibrant Communities (PRK2097) Pg. 88	Staff Response: The \$15,956 reflects one-time costs for limited duration staffing that will not be needed in the second year of the biennium.	(Closed)
Explain the \$15,956 of one-time salary/benefit costs in 2011.		
(Councilmember Myers)		
10. Recreation Creates Healthy	Staff Response: The costs in the "other" category include lease payment for the	(Closed)
and Vibrant Communities (PRK2097) Pg. 88	Community Center to the school district, recreation guide production (design and printing), other program/event publicity mailing services, business operation expenses	See Parks email
Explain the \$109,000 of "other"	such as, forms and	Gateu 11/10/10
costs. (Councilmember Myers)	registration materials (Print Shop and outside contractors), bank card processing (for program and rentals), office equipment service agreements such as copiers and faxes, league affiliation dues, memberships, educational supplies, tuition and subscriptions.	

COMMUNITY BUILDING		
Issue	Discussion	Status
11. Building Community Through the Arts (PRK2083) page 91	Staff Response: Reflects the amount of money used as a match for potential art grants. A portion of this money is carryover from previous years.	(Closed)
Explain \$209,646 in one-time "other" costs.		
(Councilmember Myers)		
12. Community Building Priority (all offers)	<u>Council Discussion:</u> Review the offers in the Community Building priority during Council deliberations.	(Closed)
Revisit Community Building Priority Offers		
(Councilmember Cole)		
SAFETY		
13. Redmond Medic One (FIR2087) page 236	Staff Response: The \$251,100 budgeted in the Medic One offer for intergovernmental expenses represent the paramedic programs share of NORCOM dispatch costs.	(Closed)
Identify dollars in intergovernmental services.		
(Councilmember Myers)		
14. Prosecuting Attorney's Office (EXE2160) page 258	Council Discussion: Revisit the Prosecuting Attorney's Office offer during Council deliberations.	(Closed) Reinstated
Review Prosecuting Attorney's offer		.50 Prosecutor
(Councilmember Allen)	,	for the beinnium

CAPITAL IMPROVEMENT PROGRAM					
Issue	Discussion	Status			
15. Capital Funding Needs (Councilmember Cole handout) Implement a plan to increase capital funding (excluding utilities)	Council Discussion: Should funding to the CIP be increased and/or should there be a process to grow the General Fund capital contribution? (Potential capital sources outlined in the handout from Councilmember Cole).	(Closed)  Increased the transportation/TDM portion of BTTI funding by \$1.00 in 2011 and an additional \$1.00 in 2012			
16. Archstone Apartment Meters (N14) page 363  Meter Replacement (Councilmembers Allen & Cole)	Council Discussion: Provide more detail of meter replacement projects.  Staff Response: Email from Bill Campbell dated 11/15/10.	(Closed)			
17. Northeast 116 <sup>th</sup> Street and Roundabout @ 172 <sup>nd</sup> Avenue (N4) page 360 Level of service on the	Council Discussion: Provide information on the level of service in the intersection, what can be done to accelerate the project and where the money (savings) would come from to begin the project earlier than proposed.	(Closed)  Will increase funding (\$400,000) for this project based on Public Works recommendation			
intersection (Councilmember Allen) Accelerate the project (Councilmembers Vache & Cole)	Staff Response: Email from Bill Campbell dated 11/17/2010. Funding of \$400,000 is proposed to come from project savings with the City's contribution to the WSDOT project on SR 202 east of Redmond. The final amount owed to the State was only recently agreed to after some lengthy negotiations that were completed after the budget was published. This source could contribute \$200,000. The remaining \$200,000 could come from the Traffic Safety Improvement Program (TSIP).				

CAPITAL IMPROVEMENT PROGRAM					
Issue	Discussion	Status			
18. 160 <sup>th</sup> Avenue NE Extension Accelerate project (Councilmember Cole)	Council Discussion: Identify funding (\$250,000) in 2011-2012 to support the 160 <sup>th</sup> Avenue NE Extension project, currently unfunded.  Staff Response: Email from Bill Campbell dated 11/17/10.  160 <sup>th</sup> Ave NE Extension (Project Description)  Construct new 160th Ave NE from current terminus at approximately NE 99th St north to the street in the Redmond 74 Development. Project would modify existing 160th arterial from NE 90th St north to current terminus and again from terminus to Red-Wood Rd. Improvements include 1 through lane in each direction, left turn lanes, bike lanes, curb, gutter, sidewalks, street lights, storm drainage, right of way and easement acquisition.	(Closed) Will increase funding (\$250,000) for this project based on Public Works recommendation			